

WIRRAL COUNCIL

SCHOOLS FORUM – 21st NOVEMBER 2023

REPORT OF THE DIRECTOR OF CHILDREN, FAMILIES AND EDUCATION

DEDICATED SCHOOLS GRANT (DSG) FUNDING FOR 2024-25 UPDATE

1.0 EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to provide Forum with an update of the 2024-25 Schools Block funding following the government announcement of the changes in the DSG National Funding Formula (NFF) in October 23.
- 1.2 The report seeks the Forum view of how any spare capacity within the funding available should be allocated following the feedback from the consultation with schools on the 2024-25 funding. The outcome of the consultation and the Forum decision will inform the allocation of funding to schools which will then be considered in the budget recommendations presented to the February 2024 meeting of the Policy and Resources Committee.
- 1.3 The report provides the update for the funding in the DSG EY block and additional grants available to Wirral in 24-25.

2.0 BACKGROUND

- 2.1 The Department for Education (DFE) has published the revised provisional NFF allocations in October 2023 alongside an admission that the original version of the plans which was published in July 23 contained an incorrect estimate of pupil numbers. The revised allocation for Wirral's Schools block funding for 2024-25 is changed to £264.04m. There is no change in the indicative funding for High Needs block and Central Schools Service block funding.
- 2.2 The table below is the revised provisional gross funding (i.e. before academy recoupment) allocations for Wirral, based on 2022-23 pupil numbers:

	Schools Block	High Needs Block	Central Services Block
2023-24 Final Allocation	£250,661,766	£60,534,360	£2,057,781
2024-25 Indicative Allocation	£264,038,977	£63,095,753	£2,038,449
Increase/(reduction)	£13,377,211	£2,561,393	(19,332)
Increase/(reduction)	5.34%	4.23%	(0.94%)

The 2023-24 Mainstream Schools Additional grant (MSAG) is rolled into the schools NFF for 2024-25. The table below is the schools block funding comparison including MSAG in 23-24:

	Schools Block
2023-24 Allocation including MSAG	£259,138,071
2024-25 Indicative Allocation	£264,038,977
Increase/(reduction)	£4,900,906
Increase/(reduction)	1.89%

2.3 The revised provisional school block allocation includes the following changes:

- The core factors in the NFF (such as basic per-pupil funding, and funding for additional needs such as deprivation) will increase by 1.4%, and 1.6% increase to the free school meals (FSM) factor.
- Through the minimum per pupil funding levels, every primary school will receive at least £4,610 per pupil, and every secondary school at least £5,995.

2.4.1 For 2024-25, Local authorities have the freedom to set the minimum funding guarantee (MFG) in local formulae between +0% and +0.50% per pupil and a consultation exercise has been undertaken with schools to obtain their views on the MFG level for 2024-25.

3.0 2024-25 FUNDING FORMULA CONSULTATION

3.1 The consultation took place between 3rd October 2023 and 23rd October 2023 and sought views on the following:

Level of MFG for 2024-25 for two options as follows:

- + 0.50% - this would give all schools at least the minimum 0.5% increase in per pupil funding and allow those due to gain most from the formula (i.e. those deemed underfunded) to gain closer to their full allocation.
- + 0% - no adjustment added to the formula and some schools has less than 0.5% increase in per pupil funding, which the DfE expects to implement in the future years.

3.3 In addition, views will be sought on the usage of any funding that may be left following the allocation of the confirmed 2024-25 schools block allocation. In previous years, such funding was allocated to a Growth Fund and Falling Rolls Fund.

3.4 To support the consultation processes, the information made available to schools included a financial model to identify the indicative impact of the MFG options on each school.

4.0 SUMMARY OF RESPONSES

4.1 The responses to the consultation are be summarised as follows:

Q1 - What level of Minimum Funding Guarantee (MFG) would you like to be included in the funding formula from April 2024? There were 10 responses to this question with the +0.5% option being favoured albeit with a majority.

Q2 – Why have you selected this option? There were 5 responses and the feedback on the reasons for selecting this option included to ensure no schools are adversely affected and to ensure a minimum increase for all schools.

Q3 – Do you have any comments on how any spare capacity within the funding available should be allocated. For example, establish a Growth Fund and/or Falling Rolls Fund? There were 6 responses to this question. 3 responses were supportive to set up a falling roll and/or growth fund with other suggestions that the fund to use to support SEN (Special Educational Needs) pupils, to support early intervention and to benefit schools.

5.0 APPLICATION OF THE CONSULTATION OUTCOME

5.1 The MFG rate of +0.5% will be applied to the formula for 2024-25 as per the outcome of the consultation with schools.

5.2 A falling rolls/growth fund will be established from the headroom in the schools block final allocation after applying the MFG rate of 0.5%.

6.0 EARLY YEARS FUNDING UPDATE

6.1 Early Years (EY) Extended Entitlements

In July 2023 the Government announced that all eligible working parents in England will be able to access 30 hours of free childcare per week for 38 weeks per year from the term after their child turns 9 months old until when they start school. This will be rolled out in stages:

- From April 2024 – all working parents of 2-year-olds can access 15 hours per week.
- From September 2024 – all working parents of children aged 9 months to 3years-old can access 15 hours per week.
- From September 2025 – all working parents of children aged 9 months to 3 years-old can access 30 hours per week.

LA Delivery support funding as a part of the expansion of the EY entitlement has been allocated to support local authorities meet programme and delivery costs associated with rolling out the expanded EY entitlements. The funding is available 2023-24 financial year and the allocation to Wirral is £76,602.

6.2 Early Years Supplementary Grant

The Government announced additional £204 million of supplementary funding to local authorities through the standalone Early Years Supplementary Grant (EYSG) nationally for the period September 2023 to March 2024.

The grant is intended to be passed in full to early years providers and it has been decided the increased hourly rates are added to the base rate for each funding stream for the period. This has resulted in the hourly rate is increasing by £1.79 for 2-year-olds and £0.33 for 3- and 4-year-olds for 2023-24 from September 23.

Pupil premium rate has been increased to £0.66 per hour and Disability access funding (DAF) to £881.

6.3 Wraparound Childcare Programme

The purpose of the grant is to ensure all schools offer wraparound childcare from 8am -6pm during term time, schools can determine how they will meet this offer. This will increase the supply of wraparound places, to ensure or guarantee provision for all parents who may need it, meeting current demand and building further demand.

The maximum amount of the grant available to Wirral is as table below.

FY 23-24	FY24-25	FY 25-26 (Provisional)	Total
17,005	1,090,347	508,917	1,616,268

Capital funding £100m nationally for local authorities to support delivery of the reforms to the early years' entitlements (£80m) and wraparound provision (£20m) is also announced. The details and the allocation to Wirral are expected to be announced in November 23.

- 6.4 The EY funding for 2024-25 has not been announced at the time of this report writing, however, a survey for the funding entitlement is to be taken place in this month by the EY team. Further details are to be communicated to the schools and the providers accordingly.

7.0 RECOMMENDATIONS

- 7.1 That the Forum notes the report.
- 7.2 Schools Forum's views are sought on the proposal to include +0.5% Minimum Funding Guarantee within Wirral's funding formula in 2024-25.
- 7.3 Schools Forum's views are sought on the proposal to a falling rolls/growth fund form any spare capacity within the 2024-25 school allocation.

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